

SECRET

C O N T E N T S

(Information as of 1200 EST, 23 January 1964)

FRENCH RECOGNITION OF PEIPING	Page 1
The formal announcement may come next week, but an exchange of envoys will probably await resolution of French relations with Taiwan. Other governments are watching the three-way diplomatic maneuvering in the apparent hope that France will come up with an acceptable "two Chinas" solution.	
<u>THE COMMUNIST WORLD</u>	
THE AFRICAN STUDENT PROBLEM IN THE SOVIET BLOC	3
The recent African student demonstrations in Moscow reflect the problems the scholarship program poses for bloc leaders--who seem to feel nevertheless that the program's potential benefits for the Communist world far outweigh the disadvantages evident now.	
PEIPING'S DIVERGENT POLICIES TOWARD INTELLECTUALS	4 OK
The regime appears to be allowing more freedom for China's few natural scientists, while tightening controls over other intellectuals.	
AREA NOTE	5
On Yugoslavia	OK
<u>ASIA-AFRICA</u>	
NEW SOUTH VIETNAMESE REGIME STILL BOGGED DOWN	6 OK
The regime has been unable to put increased drive into the war against the Viet Cong, who continue a relatively high rate of harassing and terrorist activity to undermine the resistance of the rural population and the government's paramilitary forces.	
VIET CONG FRONT HOLDS ANNUAL CONGRESS	7 OK
The meeting was keynoted by the most optimistic forecast seen to date of Communist prospects in the war.	
MANEUVERING CONTINUES IN LAOS	8
Premier Souvanna has met with Pathet Lao leader Souphannouvong and now intends to make visits to Phnom Penh, Hanoi, and Peiping. General Phoumi is increasingly critical of the coalition arrangement.	

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ASIA-AFRICA (continued)

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THE ARAB CHIEFS-OF-STATE MEETING

In an unusual display of harmony, the Arabs have agreed on an essentially moderate reaction to Israel's diversion of the Jordan waters. The results of the meeting have enhanced Nasir's prestige.

OK 9

SOVIET MILITARY AID TO EGYPT AND SYRIA

The value of aid to Egypt since the mid-1950s totals over \$1 billion, and shipments continue to arrive. Political frictions with the Baathist regime have not led Moscow to abandon its commitments to Syria.

WORSENING SITUATION ON CYPRUS

Leaders of all Cypriot factions predict early collapse of the London conference and the probable resumption of fighting.

EAST AFRICA IN TURMOIL

Repercussions from the coup in Zanzibar and the army mutiny in Tanganyika have sharpened concern for internal security in other capitals of the region. Prospects for over-all cooperation among the East African states have been blighted, as each leader looks more cautiously at his neighbor.

EUROPE

DISCORD IN SCANDINAVIA OVER NUCLEAR-FREE ZONE PLAN

Efforts by Finland's President Kekkonen to promote such a plan for Northern Europe are straining traditionally close ties among the four Nordic states.

AREA NOTES

On European Fisheries Conference and on Coal-Steel Community.

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WESTERN HEMISPHERE

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THE PANAMA SITUATION

Intense pressures for revision of the canal agreements threaten to precipitate the resignation or removal of President Chiari. Communists and pro-Castro elements continue to stir up nationalist feelings.

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CASTRO'S VISIT TO THE USSR

The exact purpose of the trip remains uncertain, but the closing communiqué repeated past Soviet statements of support for Cuba and indicated Castro's support for the Khrushchev line on important ideological issues. A long-term trade agreement was signed.

OK 17

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COUNTERCOUP PLOTTING IN HONDURAS

Senior military officers and a faction of deposed President Villeda's Liberal Party are reportedly plotting to overthrow the Lopez military regime.

OK 18

NEW STRIKES AND POLITICAL TENSION IN BRAZIL

The tension and pessimism generated by a series of strikes last week reflect the continued widespread suspicion of President Goulart's motives and suggest the political situation is still far from stable.

OK 19

COUP PLOTTING BY ECUADOR'S EX-PRESIDENT AROSEMENA

His activities, reportedly supported by Cuba and both local and foreign Communists, are a growing threat to the junta which ousted him in July.

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CURRENT INTELLIGENCE WEEKLY SUMMARY

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